

Minutes of the meeting of the Finance Committee of the Board of Directors of the Cook County Health and Hospitals System held Friday, February 20, 2015 at the hour of 10:00 A.M., at 1900 W. Polk Street, in the Second Floor Conference Room, Chicago, Illinois.

I. Attendance/Call to Order

Chairman Collens called the meeting to order.

Present: Chairman Lewis M. Collens and Directors Hon. Jerry Butler and Ric Estrada (3)

Director Ada Mary Gugenheim

Present

Telephonically: Board Chairman M. Hill Hammock (ex-officio), Director Dorene P. Wiese and Steven Scheer (non-Director Member)

Absent: None (0)

Director Butler, seconded by Director Estrada, moved to allow Board Chairman Hammock and Director Wiese to participate in the meeting telephonically. THE MOTION CARRIED UNANIMOUSLY.

Director Butler, seconded by Director Estrada, moved to allow Steven Scheer to participate in the meeting telephonically. THE MOTION CARRIED UNANIMOUSLY.

Additional attendees and/or presenters were:

Doug Elwell – Deputy CEO of Finance and Strategy
and Interim Deputy CEO of Operations
Steven Glass – Executive Director of Managed Care
Randolph Johnston – Associate General Counsel

Elizabeth Reidy – General Counsel
Deborah Santana – Secretary to the Board
John Jay Shannon, MD – Chief Executive Officer
Hon. Robert Steele – Cook County Commissioner

II. Public Speakers

Chairman Collens asked the Secretary to call upon the registered public speakers.

The Secretary called upon the following registered public speakers:

1. George Blakemore Concerned Citizen
2. Narender Reddy President, CompuBill (also submitted written testimony – Attachment #1)

III. Action Items

A. Minutes of the Finance Committee Meeting, January 23, 2015

Director Butler, seconded by Director Estrada, moved to accept the minutes of the Finance Committee Meeting of January 23, 2015. THE MOTION CARRIED UNANIMOUSLY.

III. Action Items (continued)**B. Contracts and Procurement Items (Attachment #2)**

Doug Elwell, Deputy CEO of Finance and Strategy, and Interim Deputy CEO of Operations, provided an overview of the requests presented for the Committee's consideration. The Committee reviewed and discussed the requests.

Review of some of the requests by Contract Compliance has not yet been completed; it was respectfully requested that the Committee conditionally approve these requests, pending the completion of review by Contract Compliance.

Director Butler, seconded by Director Estrada, moved the approval of request number

1. THE MOTION CARRIED UNANIMOUSLY.

With regard to request number 3, in response to comments from Directors Butler and Estrada regarding the timeline to bring the services in-house and the cost/benefit analysis, Mr. Elwell stated that he will make that information available. After determining that this request to extend and increase the current contract was not competitively bid, Board Chairman Hammock requested that the transmittal specifically reflect this detail; it was noted that the original contract, which was approved and executed in 2011, was the result of a Request for Proposals process. Additionally, Board Chairman Hammock requested information on how much McKesson was paid for just the contingent portion of the contract and how that compares.

With regard to request number 6, Director Estrada stated that, for a full perspective, in addition to the information provided regarding maintenance or whether the equipment is being purchased with capital funds, it would be good to also understand the community benefit and revenue that is going to be generated by this technology. Chairman Collens concurred; he indicated that this is planned, and will be part of the presentation going forward.

Request numbers 4 and 8 were reviewed and discussed together, as the two proposed contracts are the products of a Request for Proposals package that contained several components. Mr. Scheer recused himself from the discussion relating to request number 4. Dr. John Jay Shannon, Chief Executive Officer, provided an overview of the two requests. The Committee reviewed and discussed the information.

Director Estrada, seconded by Director Butler, moved the approval of request numbers 2 through 8, subject to completion of review by Contract Compliance where appropriate. THE MOTION CARRIED UNANIMOUSLY.

Mr. Scheer recused himself with regard to request number 4.

Note: at the February 27, 2015 Meeting of the CCHHS Board of Directors, request number 3, under the Contracts and Procurement Items, was conditionally approved, pending being found responsive to the Minority- and Women-Owned Business Enterprise provisions in the Cook County Ordinance on Procurement and Contracting, which provisions are included in the Cook County Health and Hospitals System Procurement Policy.

C. Any items listed under Section III**IV. Report from the Deputy Chief Executive Officer of Finance and Strategy (Attachment #3)****A. Financial Statements (Attachment #4)****B. Metrics (Attachment #5)****C. Report of emergency purchases**

Mr. Elwell provided an overview of his report, which included information on the Financial Statements and Metrics. The Committee reviewed and discussed the information.

There were no emergency purchases to report.

IV. Report from the Deputy Chief Executive Officer of Finance and Strategy (continued)

D. Strategic Issue Review

i. CountyCare Update (Attachment #6)

a. Overview of redetermination and auto-assignment processes

Steven Glass, Executive Director of Managed Care, provided an overview of the information contained in the CountyCare Update. The Committee reviewed and discussed the information.

On slide 7 of the presentation, Mr. Glass noted that a correction needed to be made to the header of the 4th column from the right – the header should be listed as “Change From Dec’14.” He also provided information regarding the gap between the membership totals for January 2015 and the FY2015 Budget (FY2015 budgeted membership for the month of January). With regard to the Family Health Plan (FHP) population, when the administration crafted its budget for 2015 in May 2014, the State was under a plan to start implementing the choice process for FHP members in July; it actually got implemented in September, so CCHHS is a little bit behind budget simply because the State was behind. In March, there will be a deep dive on Managed Care at the full Board Meeting; he expects to project out to reflect how the administration thinks it will become aligned between actual and budgeted membership in the coming months. With regard to the Affordable Care Act (ACA) Adult population, he stated that the actual membership is below budget due to the redetermination process. With regard to the Seniors and Persons with Disabilities population (SPD), he stated that this is a number that the administration had kept deliberately low, as they are a very expensive population; adding that population as a product within the Health Plan was simply to make sure that existing patients stay with CCHHS.

Director Butler, seconded by Director Estrada, moved to receive and file the reports under Section IV. THE MOTION CARRIED UNANIMOUSLY.

V. Adjourn

As the agenda was exhausted, Chairman Collens declared the meeting ADJOURNED.

Respectfully submitted,
Finance Committee of the
Board of Directors of the
Cook County Health and Hospitals System

XXXXXXXXXXXXXXXXXXXXXXX
Lewis M. Collens, Chairman

Attest:

XXXXXXXXXXXXXXXXXXXXXXX
Deborah Santana, Secretary

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #1



**9410 CompuBill Dr.
Orland Park, IL 60462
(708) 460-7444**

February 20, 2015

Honorable Members
FINANCE COMMITTEE
Cook County Health & Hospitals System
1900 W Polk St.
2nd Floor
Chicago, IL 60612

Dear Sir/Madam:

I am president of CompuBill Inc. CompuBill was incorporated on January 20, 1980 in Orland Park, IL, Cook County. Most of our employees live in Cook County.

We have, for the past 35 years, managed revenue cycle and patient accounts receivable and billing for physicians and hospitals. In calendar year 2014 we managed over \$110 million in patient accounts receivable for the professional component of medical services provided at 15 different medical facilities in and around Cook County.

From September, 1983 to February, 1992 CompuBill managed all the Medicaid billing for all the freestanding medical clinics operated by the City of Chicago. We lost this contract in 1992 due mainly to our lack of political connections. This contract was unjustly awarded to a sole-source contractor.

I have tried to be of service to the residents of Cook County by offering our services to manage patient accounts receivable and billing for medical services provided at Stroger Cook County Hospital and other medical facilities operated by CCHHS. My first attempt in this regard was on October 31, 2007.

Today I am addressing the following item listed in the agenda in Section III (B) and hope that CCHHS Finance Committee and staff will not approve the request to extend and increase the contract amount for the following vendor/supplier:

1. McKesson Revenue Management Solutions, Alpharetta, GA, contract number H11-25-034. This request is for extending and increasing the contract by \$1,540,000. The original contract was for 3 years and expired on April 30, 2014. Following this expiration date I am not aware of an RFP being issued to allow qualified vendors to submit competing proposals to manage revenue cycle and

patient accounts receivable and billing for CCHHS. Further, paying McKesson \$13,039,527 to collect estimated revenue to CCHHS of \$32,762,520 is an outrageously high price. On a percentage basis this fee amounts to 39.8%, almost 40%, of the revenue collected. CompuBill's current fee schedule for managing revenue cycle and patient accounts receivable and billing varies from 4.00% for the professional component of neonatology services to 7.5% for the professional component of diagnostic imaging services. I believe this fee schedule is normal for the medical practices that are similar in payer class distribution and levels of medical services provided to patients at various CCHHS facilities.

2. As indicated in the request submitted to you (request # 3) this contract was extended from May 1, 2014 to January 31, 2015 by the office of Supply Chain Management. I believe prior to the end of this contract period the procedure for competitive selection methodology should have been followed. I believe a Request for Proposals (RFP) should have been duly issued and published to allow organizations such as CompuBill to submit a competing bid. CompuBill has been on the list of potential vendors and neither I nor our project management staff is aware of any such RFP. Further, I am not aware of the original RFP either even though CompuBill is a on the Cook County list of potential vendors.
3. CompuBill's analysis, using our propriety volume and revenue mathematical models and CCHHS Stroger Hospital patient census data from 2006, showed that for diagnostic imaging interpretation services the total number of examinations billed should be 1,788,901. Using the prevailing usual and customary fee schedule at the 90th percentile level for Medicare area 16 we estimated the gross billing to be **\$203,819,970**. The payer class distribution was assumed to be similar to an average of the inner-city hospitals we service and was 63.12% Medicaid, 11.36% Medicare, 10.06% private insurance, 6.86% contractual insurance and 8.60% self pay. Our analysis using the revenue model showed the projected net revenue to be **\$67,620,387**. Please note that this projected revenue is only for the professional component of diagnostic imaging examinations and procedures.
4. In an attempt to calibrate the result of our mathematical modeling, based on actual data, on November 3, 2011 I had met with Ms. Juanita Stith, CMRP, and Director of Supply Chain Management and presented a detailed explanation of our analysis. Present at this meeting and CompuBill's detailed presentation were Jackie Edwards, Neida Rosario, Larry Patrick, Bill Luallen and John Cookinham. I had specifically requested certain data from Mr. Cookinham. This data would allow me to more accurately project CCHHS revenue from the professional component of physician services. However, this data was never provided.
5. I urge the CCHHS Finance Committee to mandate release of this data so that interested vendors can make a concerted effort to apprise you of the projected goal of the revenue that should be collected and the fees for managing revenue cycle and patient accounts receivable and billing.

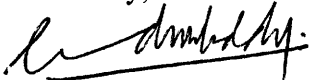
6. In defense of CompuBill's performance I have included in Appendix A our performance metrics based on calendar year 2014 billing.

It is my fervent hope that CCHHS will issue an RFP for managing revenue cycle and patient accounts receivable and billing. The detailed requirements that should be included in this RFP have been submitted by CompuBill earlier, both via email to all the members of the CCHHS Board of Directors and one printed copy that was submitted at the September 28, 2011 meeting. These requirements are fairly universal and would allow for submission of competitive bids by qualified vendors.

Thus far my attempts to establish a business relationship with the Government of Cook County have not been successful. Please give us the opportunity to present to you information and data showing how reimbursement revenue for the professional and technical component of medical services can be improved and optimized at all the medical facilities operated by Cook County. All I need is about 30 minutes of your or your staff's time to make this presentation.

In anticipation of a favorable reply, and for your time and attention, thank you very much.

Sincerely,



G. Narender Reddy
President

Narender.reddy@ecompubill.com
www.compubill.com

APPENDIX A**CALENDAR YEAR-OVER-YEAR PERFORMANCE METRICS. CASH BASIS**

UPDATED

1/28/2015

NO.	CLIENTS	YEAR 2013	YEAR 2014	VARIANCE	PERCENT %
1	CLIENT A - GROUP PRACTICE				
	CHARGES	24,503,422	25,342,416	\$838,994	103.42
	# OF EXAMS/PROCS	214,330	219,106	4,776	102.23
	PAYMENTS	8,123,321	8,450,407	\$327,086	104.03
	OVER PAYMENTS	89,046	73,275	-\$15,771	82.29
	ADJUSTMENTS	15,178,554	15,657,853	\$479,299	103.16
	COLL ACTS	1,419,147	1,326,352	-\$92,795	93.46
	ENDING RECEIV	1,909,870	1,890,949	-\$18,921	99.01
	WORK RVU	124,599	128,287	3,689	102.96
	AVG A/R DAYS	28	27	-1	95.73
	GROSS RECOVERY RATE	33.15	33.34	0.19	100.58
	NET RECOVERY RATE	87.11	87.26	0.14	100.16
2	CLIENT B - GROUP PRACTICE				
	CHARGES	24,669,110	24,096,222	-\$572,888	97.68
	# OF EXAMS/PROCS	226,194	222,026	-4,168	98.16
	PAYMENTS	7,980,613	8,132,332	\$151,718	101.90
	OVER PAYMENTS	54,805	50,977	-\$3,828	93.01
	ADJUSTMENTS	14,979,873	15,179,903	\$200,030	101.34
	COLL ACTS	1,589,204	1,514,542	-\$74,662	95.30
	ENDING RECEIV	2,056,152	1,376,574	-\$679,578	66.95
	WORK RVU	126,464	123,307	-3,157	97.50
	AVG A/R DAYS	30	20	-10	66.87
	GROSS RECOVERY RATE	32.35	33.75	1.40	104.32
	NET RECOVERY RATE	82.37	91.21	8.84	110.73
3	CLIENT C - GROUP PRACTICE				
	CHARGES	13,652,862	14,075,366	\$422,504	103.09
	# OF EXAMS/PROCS	123,976	125,540	1,564	101.26
	PAYMENTS	5,597,192	5,807,234	\$210,042	103.75
	OVER PAYMENTS	39,182	30,062	-\$9,120	76.72
	ADJUSTMENTS	7,619,857	7,929,225	\$309,368	104.06
	COLL ACTS	649,481	662,839	\$13,358	102.06
	ENDING RECEIV	1,158,814	1,064,943	-\$93,871	91.90
	WORK RVU	73,765	74,759	994	101.35
	AVG A/R DAYS	31	28	-3	89.15
	GROSS RECOVERY RATE	41.00	41.26	0.26	100.64
	NET RECOVERY RATE	92.78	94.49	1.71	101.84

NO.	CLIENTS	YEAR 2013	YEAR 2014	VARIANCE	PERCENT %
4	CLIENT D - SOLO PRACTICE				
	CHARGES	2,203,497	2,179,636	-\$23,861	98.92
	# OF EXAMS/PROCS	22,587	22,134	-453	97.99
	PAYMENTS	747,454	745,693	-\$1,761	99.76
	OVER PAYMENTS	8,000	3,128	-\$4,872	39.10
	ADJUSTMENTS	1,296,738	1,326,000	\$29,262	102.26
	COLL ACTS	167,223	132,865	-\$34,358	79.45
	ENDING RECEIV	196,970	175,175	-\$21,795	88.93
	WORK RVU	11,432	11,421	-11	99.91
	AVG A/R DAYS	33	29	-3	89.89
	GROSS RECOVERY RATE	33.92	34.21	0.29	100.86
	NET RECOVERY RATE	82.43	87.35	4.92	105.97

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #2

COOK COUNTY HEALTH AND HOSPITALS SYSTEM
ITEM III.B.
FEBRUARY 20, 2015 FINANCE COMMITTEE MEETING
CONTRACTS AND PROCUREMENT ITEMS

Request #	Vendor	Service or Product	Fiscal impact not to exceed:	Affiliate / System	Begins on Page #
Amend Previously Approved Matter					
1	Diagnostica Stago	Product - equipment, reagents, consumables and control for coagulation testing	(see transmittal - correction to fiscal impact amounts)	PHCC, SHCC	2
Extend and Increase Contracts					
2	Owens and Minor	Product - medical and surgical supplies	\$3,700,000.00	System	3
3	McKesson Revenue Management Solutions	Service - professional fee coding/billing services	\$1,540,000.00	System	4
Execute Contracts					
4	Health Management Associates (HMA)	Service - professional consulting services	\$2,395,870.00	System	5
5	Keystone Advisors	Service - professional staffing services	\$830,400.00	System	6
6	Varian Medical Systems	Service - ARIA Eclipse Support Agreement	\$689,569.00	SHCC	7
7	Ballert Orthopedic	Product - custom orthotics	\$579,622.82	SHCC	8
8	Kurt Salmon	Service - professional consulting services	\$475,000.00	System	9

COOK COUNTY HEALTH & HOSPITALS SYSTEM

Toni Preckwinkle
President
Cook County Board of Commissioners

John Jay Shannon, MD
Chief Executive Officer
Cook County Health & Hospitals System



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CCHHS

**Cook County Health & Hospitals System
Board Members**

M. Hill Hammock • Chairman
Commissioner Jerry Butler • Vice Chairman
Lewis Collens
Ric Estrada
Ada Mary Gugenheim
Emilie N. Junge
Wayne M. Lerner, DPH, FACHE
Erica E. Marsh, MD MSCI
Carmen Velasquez
Dorene P. Wiese, EdD

Office of the Secretary to the Board

February 27, 2015 CCHHS Board of Directors Meeting
Item IV(F) – Minutes of the Finance Committee Meeting of February 20, 2015
Contracts and Procurement Items

The following Motion was made and approved at the February 27th Board Meeting:

Motion to approve the Minutes of the Finance Committee Meeting of February 20, 2015, with the exception of request number 3, under the Contracts and Procurement Items, which is conditionally approved, pending being found responsive to the Minority- and Women-Owned Business Enterprise provisions in the Cook County Ordinance on Procurement and Contracting, which provisions are included in the Cook County Health and Hospitals System Procurement Policy.

2/27/15 – 2:00 P.M.

Request number 3 remains pending.

3/5/15 – 10:00 A.M.

Received letter from Contract Compliance regarding request number 3, confirming responsiveness to M/WBE provisions in the Cook County Ordinance on Procurement and Contracting.

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Joanne Marcichow-Dulski Laboratory Director, CCHHS		EXECUTIVE SPONSOR: Peter Daniels, Chief Operating Officer, Hospital Based Services (PSD)	
DATE: 2/5/15	PRODUCT / SERVICE: Product - Equipment; Reagents; Consumables; Control for Coagulation Testing		
TYPE OF REQUEST: Amend Previously Approved Request to Execute Contract	VENDOR / SUPPLIER: Diagnostica Stago, Parsippany, NJ		
ACCOUNT: 897-365 \$970,224.72 891-365 \$63,119.04 Total \$1,011,344.00		FISCAL IMPACT NOT TO EXCEED: \$957,436.71 \$62,438.61 \$1,019,875.32	
GRANT FUNDED / RENEWAL AMOUNT: N/A			
CONTRACT PERIOD: 12/01/2014 thru 11/30/2017		CONTRACT NUMBER: H14-25-055	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: GPO		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

The prior contract was approved by the Cook County Health and Hospitals System (CCHHS) Board of Directors on 11/18/2011 for a period of thirty-six (36) months from 12/05/2011 thru 12/04/2014. The approved amount of the contract was \$1,133,240.25. The vendor provides coagulation instruments, reagents, controls and calibrators.

NEW PROPOSAL JUSTIFICATION:

The request is to execute a contract with Diagnostica Stago that includes upgrades to the previous system. This contract will provide the Pathology Department at Stroger and Provident Hospitals the instruments, instrument maintenance, reagents, controls and calibrators to perform routine and special coagulation tests. The use of this instrument will reduce test turnaround time by reducing manual intervention.

TERMS OF REQUEST:

This is a request to execute contract number H14-25-055 in an amount not to exceed \$1,011,344.00 \$1,019,875.32, as needed, for a period of thirty-six (36) months from 12/01/2014 thru 11/30/2017. ~~The original request to execute this contract was approved by the Board on October 31, 2014; it is respectfully requested that the Board approve this request to reflect the correct fiscal impact amount for the contract.~~

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending Yes FEB 27 2015

CCHHS Deputy CEO: D. Elwell
Douglas L. Elwell, Deputy Chief Executive Officer

CCHHS CEO: John Jay Shannon
John Jay Shannon, M.D., Chief Executive Officer

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

1

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M. Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR:		EXECUTIVE SPONSOR: <i>D. Elwell</i> Douglas L. Elwell, Deputy Chief Executive Officer	
DATE: 02/09/2015	PRODUCT / SERVICE: Product- Medical & Surgical Supplies		
TYPE OF REQUEST: Extend and Increase Contract	VENDOR / SUPPLIER: Owens and Minor, Mechanicsville, VA		
ACCOUNT: 890-360		FISCAL IMPACT NOT TO EXCEED: \$3,700,000.00	GRANT FUNDED /RENEWAL AMOUNT: N/A
ORIGINAL CONTRACT PERIOD 07/01/2011 thru 01/31/2015		REVISED CONTRACT PERIOD 02/01/2015 thru 02/28/2015	CONTRACT NUMBER: H11-25-047
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

On 06/24/2011, the Cook County Health and Hospitals System (CCHHS) Board approved a contract in the amount of \$60,000,000.00 for the period from 07/01/2011 through 06/30/2014. A request to increase the contract in the amount of \$4,500,000.00 was approved by the CCHHS Board on 06/27/2014. A request to increase the contract in the amount of \$7,500,000.00 and extend the contract through 01/31/2015 was approved by the CCHHS Board on 10/31/2014.

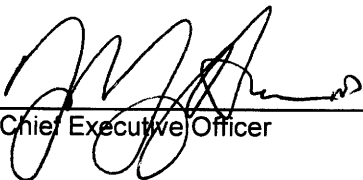
NEW PROPOSAL JUSTIFICATION:

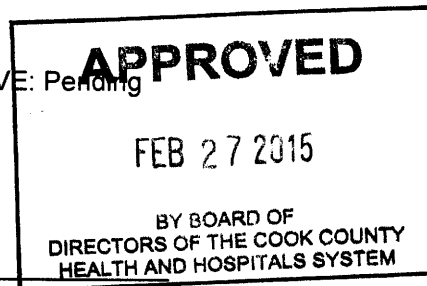
This request is to extend and increase the contract with Owens and Minor for the distribution of medical/surgical supplies for CCHHS; this will allow for the closing-out of invoices for purchases made prior to transitioning to a contract with a new vendor, and will allow for final payment to be made to Owens and Minor for custom/specialized inventory for CCHHS.

TERMS OF REQUEST:

This is a request to increase contract number H11-25-047 in an amount not to exceed \$3,700,000.00, as needed, and extend the contract for one (1) month, from 02/01/2015 thru 02/28/2015.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending

CCHHS CEO: 
John Jay Shannon, M.D., Chief Executive Officer



Request #

2

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Dorothy Loving, Executive Director of Finance		EXECUTIVE SPONSOR: Douglas L. Elwell, Deputy Chief Executive Officer <i>D. Elwell</i>	
DATE: 02/02/2015	PRODUCT / SERVICE: Service – Professional Fee Coding/Billing Services		
TYPE OF REQUEST: Extend and Increase Contract	VENDOR / SUPPLIER: McKesson Revenue Management Solutions, Alpharetta, GA		
ACCOUNT: 890-260		FISCAL IMPACT NOT TO EXCEED: \$1,540,000.00	GRANT FUNDED / RENEWAL AMOUNT: N/A
ORIGINAL CONTRACT PERIOD: 05/01/2011 thru 01/31/2015		REVISED CONTRACT PERIOD: 02/01/2015 thru 05/31/2015	CONTRACT NUMBER: H11-25-034
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

This contract was approved by the Cook County Health and Hospitals System (CCHHS) Board on 04/29/2011 for a period of thirty-six months from 05/01/2011 thru 04/30/2014. This contract is a combined fixed fee and contingency contract with all fees paid to McKesson Revenue Management Solutions for the cash revenues generated as a result of the services provided. Payments to McKesson Revenue Management Solutions was approximated in the amount of \$13,039,527.00. Estimated revenues to CCHHS was in the amount of \$32,762,520.00. The contract was extended by the office of Supply Chain Management from 05/01/2014 thru 01/31/2015.


NEW PROPOSAL JUSTIFICATION:

This contract provides for coding and billing of professional services system wide. The vendor provides coding activities related to professional fees, evaluation and management services. Procedure coding is provided but not limited to clinic outpatient, Respiratory Therapy, Radiation Therapy, Dialysis, Pain Management, PY/OT Speech-Rehabilitation Therapy, Emergency department and Ambulatory Surgery. McKesson is responsible for auditing the quality of coding and adherence to coding guidelines based on provider documentation in addition to physician documentation training and physician support as needed.

TERMS OF REQUEST:

This is a request to extend and increase contract number H11-25-034 in an amount not to exceed \$1,540,000.00, as needed, for a period of 4 months from 02/01/2015 thru 05/31/2015.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending

CCHHS CEO: 
John Jay Shannon, M.D., Chief Executive Officer

APPROVED

FEB 27 2015

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #
3

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M.
Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR:		EXECUTIVE SPONSOR: John Jay Shannon, MD, Chief Executive Officer	
DATE: 02/09/2015	PRODUCT / SERVICE: Service – Professional Consulting Services		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Health Management Associates (HMA), Lansing MI		
ACCOUNT: 890-260		FISCAL IMPACT NOT TO EXCEED: \$2,395,870.00	GRANT FUNDED / RENEWAL AMOUNT: N/A
CONTRACT PERIOD: 03/01/2015 thru 02/28/2017		CONTRACT NUMBER: H15-25-031	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

There is no prior contract history for a contract with this specific combination of services; in determining the best strategic course for the System, the administration decided to consolidate System needs relating to these services into an RFP that contained several components.

NEW PROPOSAL JUSTIFICATION:

This vendor will provide professional services in the areas of federal reimbursement, operational strategy, project management, behavioral health and resource planning for certain product lines. It also provides for certain temporary leadership staffing.

This contract is the product of an RFP that included several other components. A total of 5 bidders responded regarding these portions of the RFP. A panel composed of leadership from Nursing, ambulatory services, hospital-based services, Budget and Supply Chain Management was assembled to evaluate the responses; HMA was selected because they met specific criteria required for this contract and have extensive knowledge and experience in this area. Three other components of the RFP were not awarded; one component was awarded to another vendor.


TERMS OF REQUEST:

This is a request to execute contract number H15-25-031 in an amount not to exceed \$2,395,870.00, as needed, for a period of 24 months from 03/01/2015 thru 02/28/2017.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending FEB 27 2015

APPROVED

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

CCHHS CEO: 
John Jay Shannon, M.D., Chief Executive Officer

Request #

4

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M.
Rothstein CORE Center •

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Dorothy Loving, Executive Director of Finance		EXECUTIVE SPONSOR: Douglas L. Elwell, Deputy Chief Executive Officer <i>DEW</i>	
DATE: 01/30/2015		PRODUCT / SERVICE: Service – Professional Staffing Services	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Keystone Advisors, South Holland, IL	
ACCOUNT: 897-260 Finance 897-260 Supply Chain Management Total		FISCAL IMPACT NOT TO EXCEED: \$424,800.00 \$405,600.00 \$830,400.00	
CONTRACT PERIOD: 03/01/2015 thru 02/29/2016		GRANT FUNDED / RENEWAL AMOUNT: N/A	
CONTRACT NUMBER: H15-25-037			
COMPETITIVE SELECTION METHODOLOGY:			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: Sole Source			

PRIOR CONTRACT HISTORY:

No prior contract history. This vendor has prior experience working with CCHHS as an MBE subcontractor under a majority contractor.

NEW PROPOSAL JUSTIFICATION:

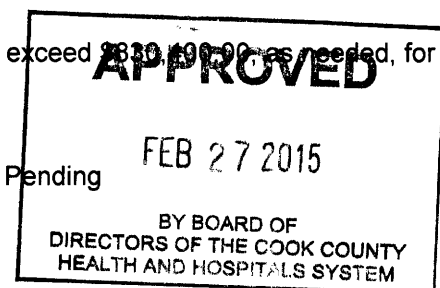
This request is for temporary staffing in the Finance and Supply Chain Management (SCM) Departments for the purpose of filling immediate needs. The staffers will assist in a number of positions, including accounts payable associates and procurement specialists. They will have an understanding of and experience working in both the JD Edwards accounts payable module and the Lawson Enterprise System. They will be dedicated to accounts payable processing, budget/expenditure control and supply chain procurement specialties.

The immediate need for expediency to implement changes to improve SCM throughout the organization is the reason for using sole source methodology. The past experience working with this vendor was excellent; additionally, they have the ability to staff with subject experts.

TERMS OF REQUEST:

This is a request to execute contract number H15-25-037 in an amount not to exceed \$830,400.00 as needed, for a period of twelve (12) months from 03/01/2015 thru 02/29/2016.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending



CCHHS CEO: _____

John Jay Shannon, M.D., Chief Executive Officer

Request #


5

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M.
Rothstein CORE Center •

Cook County Health & Hospitals System

AS AMENDED

BOARD APPROVAL REQUEST

SPONSOR: Mark Pisaneschi, M.D., Department of Radiology		EXECUTIVE SPONSOR: Claudia M. Fegan, M.D., Executive Medical Director 	
DATE: 01/30/2015		PRODUCT / SERVICE: Service – ARIA Eclipse Support Agreement	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Varian Medical Systems, Palo Alto, CA	
ACCOUNT: 897-367		FISCAL IMPACT NOT TO EXCEED: \$680,560.00 \$683,569.00	
CONTRACT PERIOD: 03/01/2015 thru 02/28/2019		GRANT FUNDED / RENEWAL AMOUNT: H14-25-020	
COMPETITIVE SELECTION METHODOLOGY:			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: Sole Source			

PRIOR CONTRACT HISTORY:

There is no prior contract history for this service, as it relates to new equipment.

NEW PROPOSAL JUSTIFICATION:

This request is for a 4 year contract for software support for the two new linear accelerators at John H. Stroger, Jr. Hospital of Cook County. Varian Medical Systems is the Original Equipment Manufacturer (OEM) and therefore is the only vendor who offers the periodic maintenance, upgrades and support.

TERMS OF REQUEST:

This is a request to execute contract number H14-25-020 in an amount not to exceed **\$683,569.00** ~~\$680,560.00~~, as needed, for a period of forty-eight (48) months from 03/01/2015 thru 02/28/2019.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS Deputy CEO: 
Douglas L. Elwell, Deputy Chief Executive Officer

CCHHS CEO: 
John Jay Shannon, M.D., Chief Executive Officer

APPROVED

FEB 27 2015

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

6

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M.
Rothstein CORE Center •

COOK COUNTY HEALTH & HOSPITALS SYSTEM

Toni Preckwinkle

President

Cook County Board of Commissioners

John Jay Shannon, MD

Chief Executive Officer

Cook County Health & Hospitals System



COOK COUNTY HEALTH
& HOSPITALS SYSTEM

CCHHS

**Cook County Health & Hospitals System
Board Members**

M. Hill Hammock • Chairman

Commissioner Jerry Butler • Vice Chairman

Lewis Collens

Ric Estrada

Ada Mary Gugenheim

Emilie N. Junge

Wayne M. Lerner, DPH, FACHE

Erica E. Marsh, MD MSCI

Carmen Velasquez

Dorene P. Wiese, EdD

Date: March 9, 2015

To: Deborah Santana, Secretary to the Board
Cook County Health and Hospitals System

From: Douglas L. Elwell, Deputy Chief Executive Officer *DLE*
Cook County Health and Hospitals System

Re: Correction Memo
Varian Medical Systems

The Board Approval Request for the above named service was presented to the Board of Directors of the Cook County Health and Hospitals System for approval on January 30, 2015. It is necessary to correct the **FISCAL IMPACT NOT TO EXCEED** amount. It should read:

FISCAL IMPACT NOT TO EXCEED
\$683,569.00

This is a request to execute contract number H14-25-020 in an amount not to exceed **\$683,569.00**, as needed, for a period of forty-eight (48) months from 03/01/2015 thru 02/28/2019.

If additional information is needed, please feel free to contact me.

Thank you.

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Mark Pisaneschi, M.D., Department of Radiology		EXECUTIVE SPONSOR: Claudia M. Fegan, M.D., Executive Medical Director <i>CWF</i>	
DATE: 01/30/2015	PRODUCT / SERVICE: Service – ARIA Eclipse Support Agreement		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Varian Medical Systems, Palo Alto, CA		
ACCOUNT: 897-367		FISCAL IMPACT NOT TO EXCEED: \$689,569.00	GRANT FUNDED / RENEWAL AMOUNT:
CONTRACT PERIOD: 03/01/2015 thru 02/28/2019		CONTRACT NUMBER: H14-25-020	
COMPETITIVE SELECTION METHODOLOGY:			
<input checked="" type="checkbox"/> NON-COMPETITIVE SELECTION METHODOLOGY: Sole Source			

PRIOR CONTRACT HISTORY:

There is no prior contract history for this service, as it relates to new equipment.

NEW PROPOSAL JUSTIFICATION:

This request is for a 4 year contract for software support for the two new linear accelerators at John H. Stroger, Jr. Hospital of Cook County. Varian Medical Systems is the Original Equipment Manufacturer (OEM) and therefore is the only vendor who offers the periodic maintenance, upgrades and support.

TERMS OF REQUEST:

This is a request to execute contract number H14-25-020 in an amount not to exceed \$689,569.00, as needed, for a period of forty-eight (48) months from 03/01/2015 thru 02/28/2019.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Yes

CCHHS Deputy CEO: *[Signature]*
 Douglas L. Elwell, Deputy Chief Executive Officer

CCHHS CEO: *[Signature]*
 John Jay Shannon, M.D., Chief Executive Officer

APPROVED

FEB 27 2015

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

Request #

6

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
 • John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M. Rothstein CORE Center •

We Bring Health CARE to Your Community

Revised 03/01/2011

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR: Torsten Muehl, Director Physical, Occupational & Speech Therapy, CCHHS		EXECUTIVE SPONSOR: Peter Daniels, Chief Operating Officer Hospital Based Services 	
DATE: 01/30/2015	PRODUCT / SERVICE: Product – Custom Orthotics		
TYPE OF REQUEST: Execute Contract	VENDOR / SUPPLIER: Ballert Orthopedic, Chicago Illinois		
ACCOUNT: 897-360		GRANT FUNDED / RENEWAL AMOUNT: N/A	
FISCAL IMPACT NOT TO EXCEED: \$579,622.82		CONTRACT NUMBER: H15-73-020	
CONTRACT PERIOD: 02/01/2015 thru 01/31/2018			
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:

The prior contract number H12-72-047 was approved by the Cook County Health and Hospitals System (CCHHS) Board on 06/29/2012 in the amount of \$301,488.01 for period of twenty-four (24) months from 07/12/2012 thru 06/30/2014 for the fitting and delivery of custom orthotic supplies. An amendment was approved by the Supply Chain Management department to increase the contract by \$30,000.00 and extend to 11/30/2014. A subsequent amendment was executed to extend the term of the contract through 01/31/2015.

NEW PROPOSAL JUSTIFICATION:

The Physical and Occupational Therapy departments of CCHHS are requesting to enter into a new contract with Ballert Orthopedic for the fitting and delivery of custom orthotic supplies. An initial RFP was issued on 05/07/2014 Ballert was the only responder. A second RFP was issued on 10/29/2014 and again Ballert was the only responder. Ballert was found to be responsive to the RFP and has met all specific criteria required for this contract.

TERMS OF REQUEST:

This is a request to execute contract number H15-73-020 in an amount not to exceed \$579,622.82, as needed, for a period of 36 months from 02/01/2015 thru 01/30/2018.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: **APPROVED**

FEB 27 2015

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

CCHHS Deputy CEO:
Douglas L. Elwell, Deputy Chief Executive Officer

CCHHS CEO:
John Jay Shannon, M.D., Chief Executive Officer

Request #

7

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M. Rothstein CORE Center •

We Bring Health CARE to Your Community

Cook County Health & Hospitals System

BOARD APPROVAL REQUEST

SPONSOR:		EXECUTIVE SPONSOR: Douglas Elwell, Deputy Chief Executive Officer <i>DElwell</i>	
DATE: 01/13/2015		PRODUCT / SERVICE: Service – Professional Consulting Services	
TYPE OF REQUEST: Execute Contract		VENDOR / SUPPLIER: Kurt Salmon, Atlanta GA	
ACCOUNT: 890-260		FISCAL IMPACT NOT TO EXCEED: \$475,000.00	GRANT FUNDED / RENEWAL AMOUNT: N/A
CONTRACT PERIOD: 03/01/2015 thru 02/28/2017		CONTRACT NUMBER: H15-25-039	
<input checked="" type="checkbox"/>	COMPETITIVE SELECTION METHODOLOGY: RFP		
<input type="checkbox"/>	NON-COMPETITIVE SELECTION METHODOLOGY:		

PRIOR CONTRACT HISTORY:
No prior contract history.

NEW PROPOSAL JUSTIFICATION:
The contract is for the provision of professional services in the areas of operational strategy for Ambulatory. They will identify strategies to achieve patient satisfaction leading to retention of patient base in centers. The vendor will also provide assistance with developing/implementing efficient and cost-effective use of resources to achieve quality and financial benchmarks.

This contract is the product of an RFP that included several other components. A total of 5 proposers responded regarding this portion of the RFP. A panel composed of leadership from Nursing, ambulatory services, hospital-based services, Budget and Supply Chain Management was assembled to evaluate the responses; Kurt Salmon was selected for this component because they met specific criteria required for this contract and have extensive knowledge and experience in this area. Eight components of the RFP were awarded to another vendor; three other components were not awarded.

TERMS OF REQUEST:
This is a request to execute contract number H15-25-039 in an amount not to exceed ~~\$475,000.00, as needed, for a~~ period of 24 months from 03/01/2015 thru 02/28/2017.

CONTRACT COMPLIANCE HAS FOUND THIS CONTRACT RESPONSIVE: Pending

APPROVED

FEB 27 2015

BY BOARD OF
DIRECTORS OF THE COOK COUNTY
HEALTH AND HOSPITALS SYSTEM

CCHHS CEO: *John Jay Shannon*
John Jay Shannon, M.D., Chief Executive Officer

Request #
8

• Ambulatory & Community Health Network • Cermak Health Services • Department of Public Health •
• John H. Stroger, Jr. Hospital of Cook County • Oak Forest Health Center • Provident Hospital • Ruth M.
Rothstein CORE Center •

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #3



Report to the Finance Committee

February 20, 2015

Doug Elwell

Deputy CEO for Finance and Strategy

Preliminary 2014 Year End Financial Results

Revenues exceed expenditures before capital

- \$9.7 million
- Exceeds budget by \$43 million
- Financials not closed until March 1
- Cost report estimates not complete yet



Deputy CEO Report to Finance | February 20, 2015

Accounts Payable

Days in Accounts Payable

- 2011 75 days
- 2012 67 days
- 2013 84 days
- 2014 52 days

Waiting for UHC comparative data to determine goal



Deputy CEO Report to Finance | February 20, 2015

Accounts Receivable

Days in Net Accounts Receivable

Target - 45 days

- 2011 58 days
- 2012 35 days
- 2013 46 days
- 2014 37 days



Deputy CEO Report to Finance | February 20, 2015

Cash on Hand

Days Cash on Hand

Target - 100 days

- 2011 45 days
- 2012 53 days
- 2013 48 days
- 2014 93 days

Currently includes restricted cash funds



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CC+HS

Deputy CEO Report to Finance | February 20, 2015

Unrestricted Fund Balance

Unrestricted Fund Balance

- 2011 \$168 million
- 2012 \$95 million
- 2013 \$36 million
- 2014 \$88 million



Net Position

Change in net position

- 2011 (\$96 million)
- 2012 (\$89 million)
- 2013 (\$68 million)
- 2014 \$35 million



Strategic Procurements

- Reducing reliance on outside staffing
- Remote Hosting
- Lab Automation
- Patient Transportation
- Dialysis
- Infusion Pumps



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CC+HS

Deputy CEO Report to Finance | February 20, 2015

Strategic Issues

- Clinics
- Central Campus Redevelopment
- Risk Sharing
- Covered Lives
- Stroger Utilization
 - Product lines
 - Service expansion



Deputy CEO Report to Finance | February 20, 2015

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #4

Cook County Health Facilities
Combining Balance Sheet of General Funds (Unaudited)
(In Thousands)
November 30, 2014

	Acute Care	Dept of Public Health	Cermak	Intra-Activity Eliminations	Grand Total
ASSETS					
CURRENT ASSETS:					
Cash and cash equivalents:					
Cash in banks	9,536				9,536
Cash held by Cook Co Treas	1,364,819	150,487		(1,256,658)	258,648
Due from working cash fund	95,147				95,147
Total cash & cash equivalent	1,469,502	150,487		(1,256,658)	363,331
Property taxes receivable:					
Tax levy - current year	26,142	1,543	11,240		38,925
Tax levy - prior year	4,779	529			5,307
Total property taxes rec	30,921	2,072	11,240		44,232
Receivables:					
Patient AR-net of allowances	61,233				61,233
Third-party settlements	13,776				13,776
Other receivables	551				551
Due from State	10,802				10,802
Total receivables	86,362				86,362
Inventories	3,439		589		4,028
TOTAL CURRENT ASSETS	1,590,224	152,559	11,829	(1,256,658)	497,954
CAPITAL ASSETS:					
Depreciable assets - net	395,531	14	407		395,953
TOTAL ASSETS	1,985,755	152,573	12,236	(1,256,658)	893,906

Cook County Health Facilities
Combining Balance Sheet of General Funds (Unaudited)
(In Thousands)
November 30, 2014

	Acute Care	Dept of Public Health	Cermak	Intra-Activity Eliminations	Grand Total
LIABILITIES & NET POSITION					
CURRENT LIABILITIES:					
Due to Cook County Treasurer	1,140,772		115,886	(1,256,658)	
Accounts payable	61,803	87	204		62,093
Claims Payable	98,331				98,331
Accrued salaries, wages, & other liabilities	34,855	728	2,845		38,428
Compensated absences	5,623	150	399		6,172
Deferred revenue	78,351				78,351
Third-party settlements	73,000				73,000
Due to other co govt funds	36	7			43
Due to others	6,289				6,289
Interaccount payabl (recevbl)	(8,457)	2	8,455		
TOTAL CURRENT LIABILITIES	1,490,604	973	127,789	(1,256,658)	362,708
LONG-TERM LIABILITIES:					
Compensated absences longterm	31,865	849	2,263		34,977
Reserve-tax objection suits	10,520	1,144			11,665
TOTAL LIABILITIES	1,532,989	2,966	130,053	(1,256,658)	409,350
NET POSITION:					
Investment in capital assets	395,531	14	407		395,953
Unrestricted	57,234	149,593	(118,223)		88,604
TOTAL NET POSITION	452,766	149,607	(117,816)		484,557
TOTAL LIABILITIES & NET POSITION	1,985,755	152,573	12,236	(1,256,658)	893,906

Cook County Health Facilities
Combining Income Statement of General Funds (Unaudited)
(In Thousands)
November 30, 2014

	Acute Care	Dept of Public Health	Cermak	Intra-Activity Eliminations	Grand Total
REVENUE:					
Net patient service revenue	1,456,535			(221,345)	1,235,190
Grant revenue		10,493			10,493
EHR incentive program revenue	3,148				3,148
Other revenue	6,775	636	2		7,414
Total Revenue:	1,466,458	11,129	2	(221,345)	1,256,244
OPERATING EXPENSES:					
Salaries and wages	472,386	11,260	42,591		526,237
Employee benefits	123,196	3,726	11,226		138,148
Supplies	234,691	354	929		235,973
Purchased svcs, rental & other	703,999	750	1,260	(221,345)	484,664
Insurance expense	22,359	419	1,676		24,454
Depreciation	33,319	18	241		33,577
Utilities	12,686	62	7		12,755
Services provided by other county offices	9,000				9,000
TOTAL OPERATING EXPENSES	1,611,637	16,588	57,930	(221,345)	1,464,810
GAIN (LOSS) FROM OPERATIONS	(145,180)	(5,459)	(57,927)		(208,566)
NONOPERATING REVENUE:					
Property taxes	23,972	1,307	11,240		36,519
Sales taxes	(5,264)	(717)	(1,468)		(7,449)
Cigarette taxes	91,520	6,693	28,513		126,727
Other Tobacco Product taxes	3,749	274	1,171		5,194
Fire Arms taxes	445				445
Interest income	16	0	0		16
Retirement plan contribution	50,201	2,255	4,385		56,841
TOTAL NONOPERATING REVENUE	164,639	9,811	43,842		218,293
NET INCOME (LOSS)	19,459	4,353	(14,085)		9,727
Transfer (out) in	9,000				9,000
Capital contributions	3,207	(6)			3,201
Change in net position	31,667	4,346	(14,085)		21,928
Net Position at beginning of year	421,099	145,261	(103,731)		462,628
Net Position at end of year	452,766	149,607	(117,816)		484,557

CountyCare Income Statement
FY 2014

Revenue	YTD September-2014	YTD October-2014	YTD November-2014
PMPM	\$ 561,791,021	\$ 614,771,835	672,227,254
Admin	28,811,440	28,811,440	16,685,354
State Workers	3,626,538	3,691,639	3,766,076
Reserve for Settlement	(39,500,000)	(39,500,000)	(39,500,000)
Assessment Tax from Cash Advance			51,000
Total Revenue	\$ 554,728,999	\$ 607,774,914	\$ 653,229,685
Application Processing Costs			
Hoyme Facility Expenses	\$ 249,923	\$ 240,864	\$ 254,565
AHS Application Assistance Fees	22,732,333	24,529,911	21,935,994
CEA Application Assistance Fees	1,500,093	1,589,490	1,667,342
State Workers Cost	7,253,073	7,383,275	7,532,148
Total Application Processing Costs	\$ 31,735,422	\$ 33,743,540	\$ 31,390,049
Administrative Expenses			
Salaries & Benefits	\$ 926,672	\$ 1,460,275	\$ 1,705,775
Stop Loss Insurance	4,116,690	4,116,690	4,448,190
Self Insurance	191,892	211,081	434,875
Pharmacy	5,516,811	5,702,852	6,184,209
PsychHealth ASO	4,224,033	4,550,208	4,550,208
AHS TPA Fees	14,361,470	15,909,098	15,480,961
IlliniCare TPA Fees	18,059,649	23,552,788	28,678,879
MHN Fees	4,209,437	4,834,100	5,341,426
Other	2,272,240	3,135,056	4,454,649
Total Administrative Expenses	\$ 53,898,894	\$ 63,472,148	\$ 71,279,191
Clinical Expenses			
Domestic Claims	\$ 171,105,958	\$ 165,040,469	\$ 181,340,731
Domestic Claims IBNR	24,900,000	24,137,291	24,137,291
Foreign Claims	116,215,506	156,470,823	166,923,040
Foreign Claims IBNR	57,016,169	43,016,169	52,532,988
Pharmacy	112,170,745	107,086,487	119,104,090
Domestic Pharmacy		15,198,683	15,867,173
MHN ASO	2,520,000	2,994,304	3,919,136
Behavioral Health	12,391,456	18,009,222	17,353,445
Optical	1,190,920	1,525,337	1,883,699
Transportation	345,504	469,914	782,737
Dental	-	645,772	711,488
Total Clinical Expenses	\$ 497,856,258	\$ 534,594,471	\$ 584,555,818
Total Expenses	\$ 583,490,574	\$ 631,810,159	\$ 687,225,058
CountyCare Net Income	\$ (28,761,575)	\$ (24,035,245)	\$ (33,995,374)

Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #5

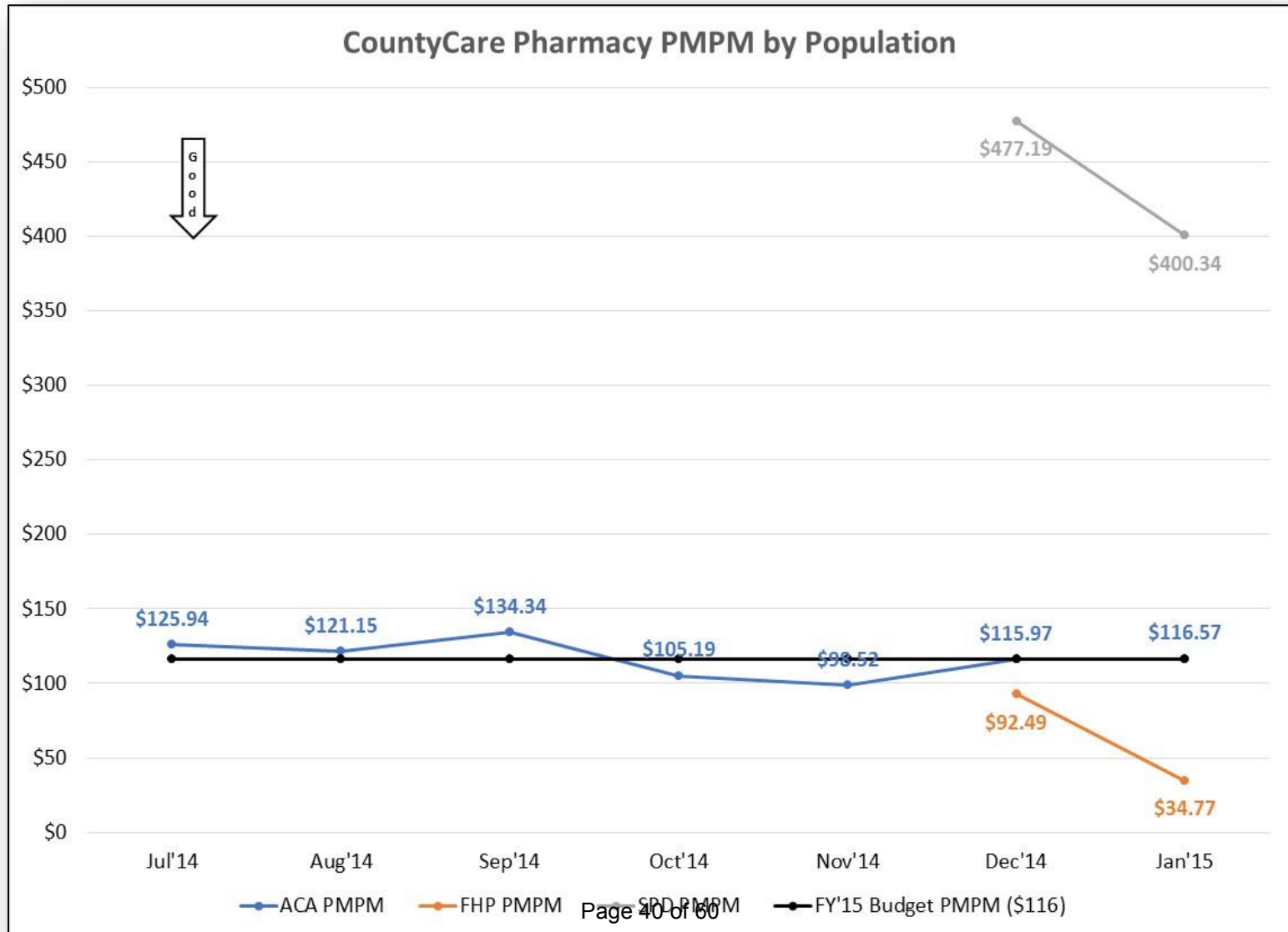


CCHHS Finance Metrics

Prepared for: CCHHS Board of Directors

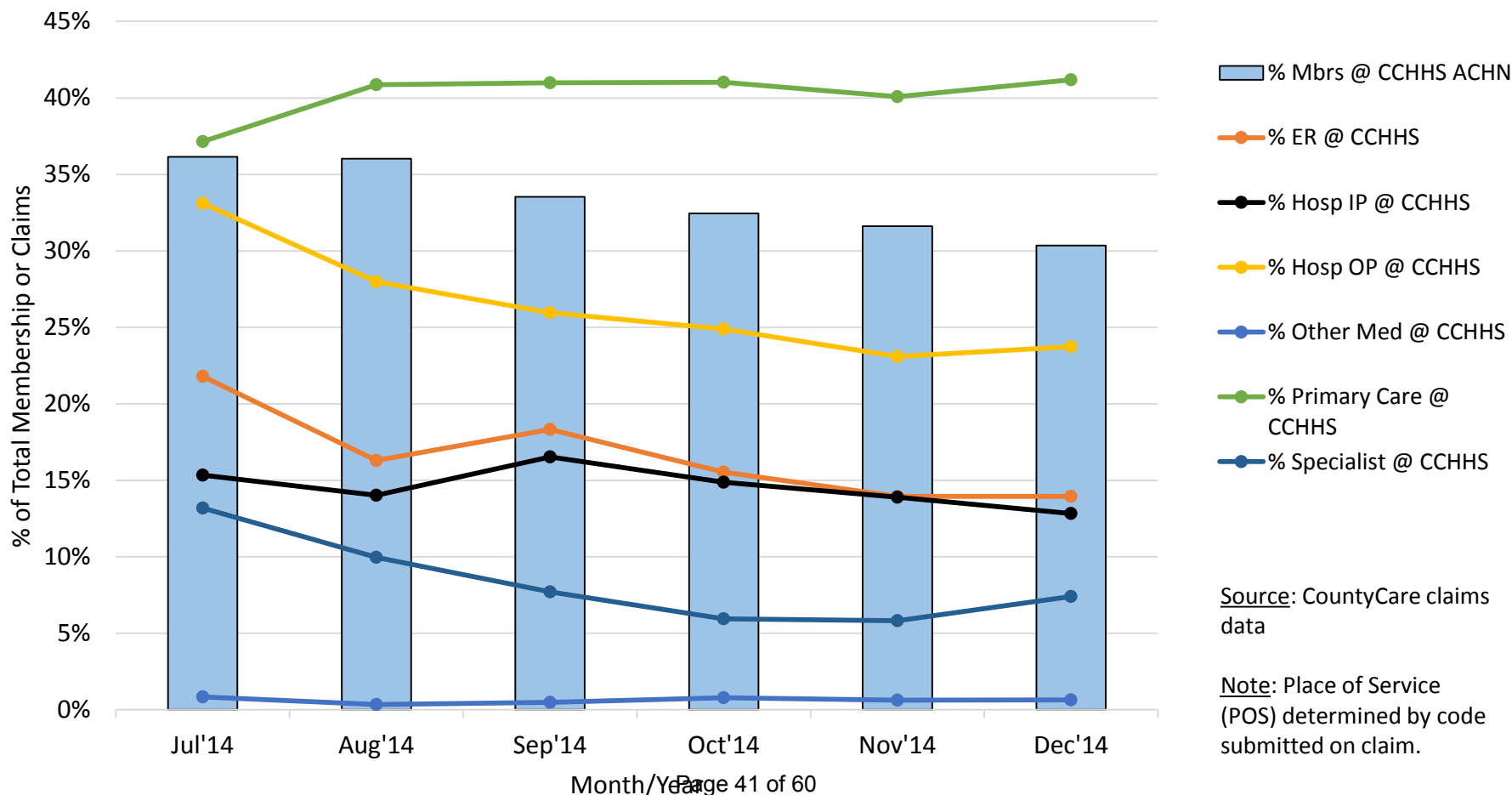
February, 2015

CountyCare Pharmacy PMPM

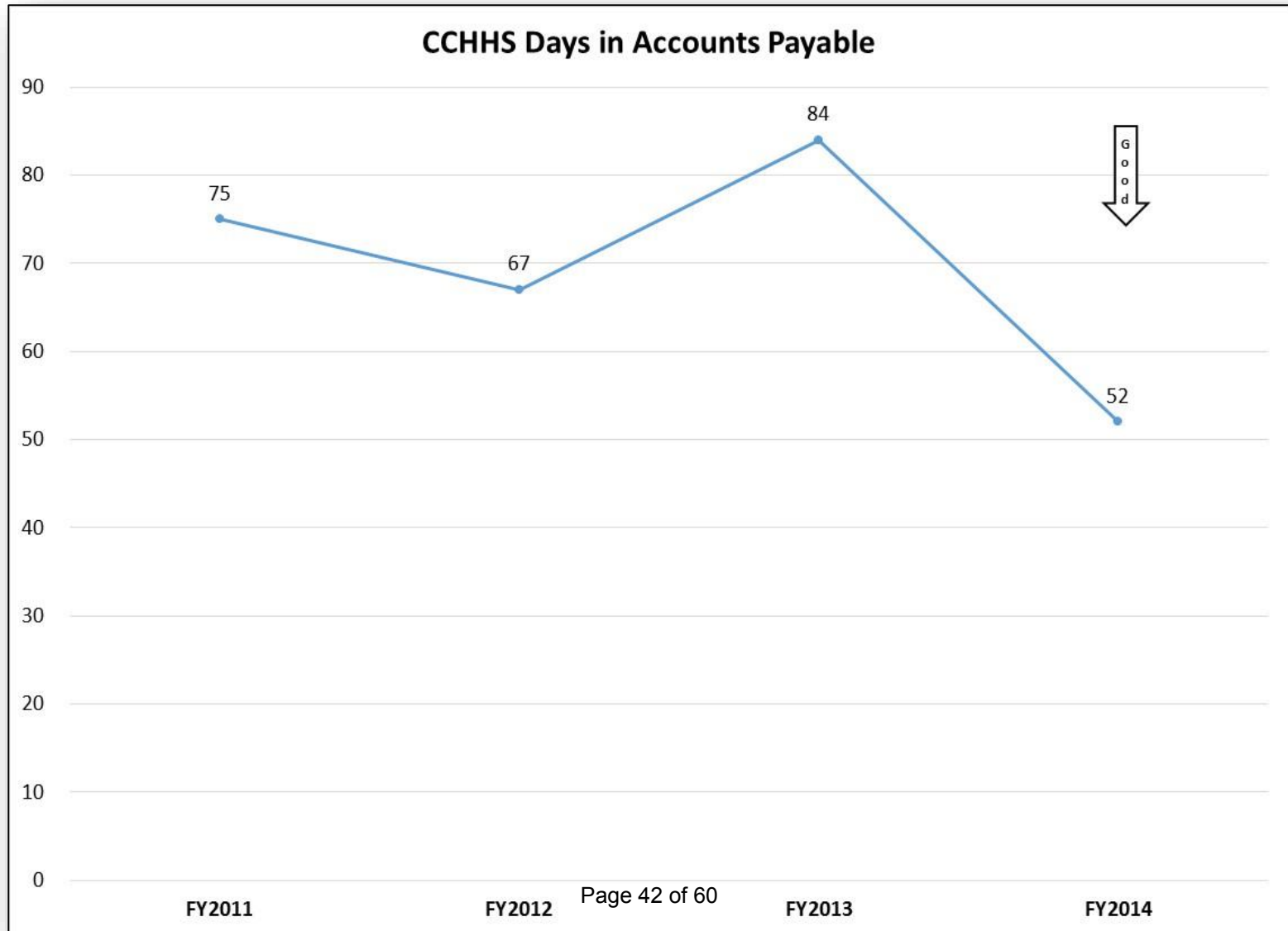


% CountyCare Membership & % CountyCare Utilization at CCHHS

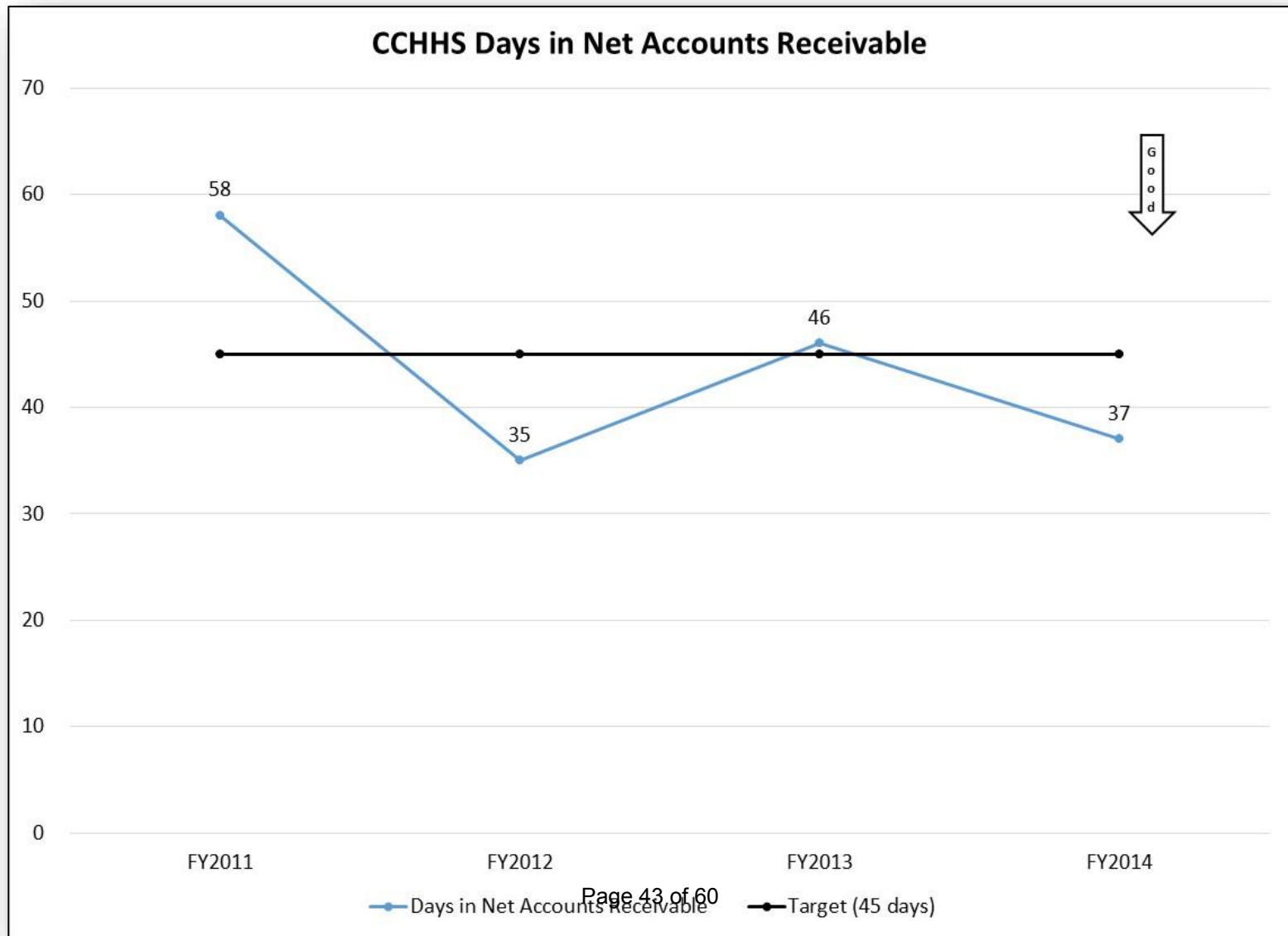
**% CountyCare Members Assigned to CCHHS ACHN PCMH Site
and % of Claims @ CCHHS by Place of Service**



Days in Accounts Payable

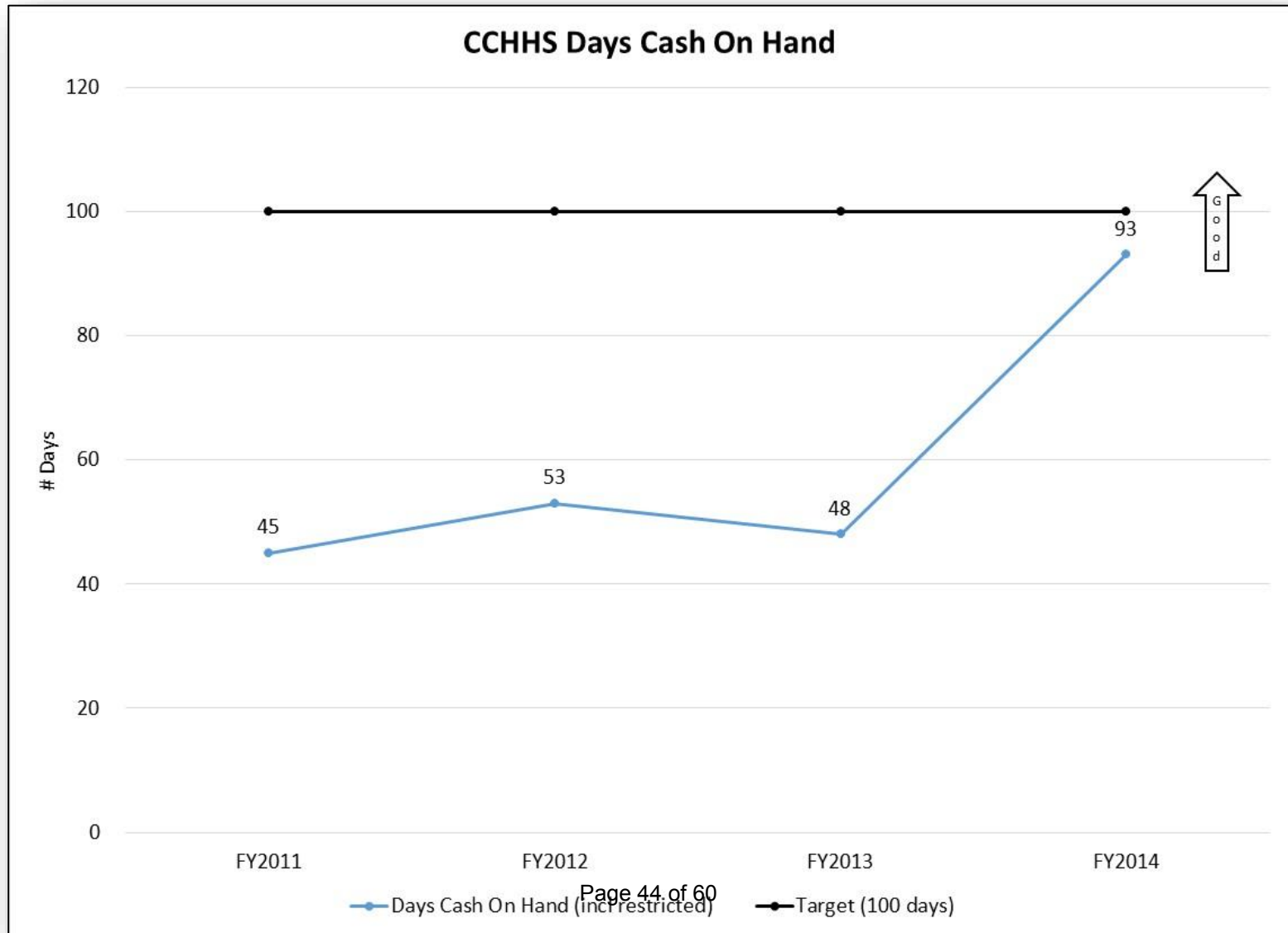


Days in Net Accounts Receivable

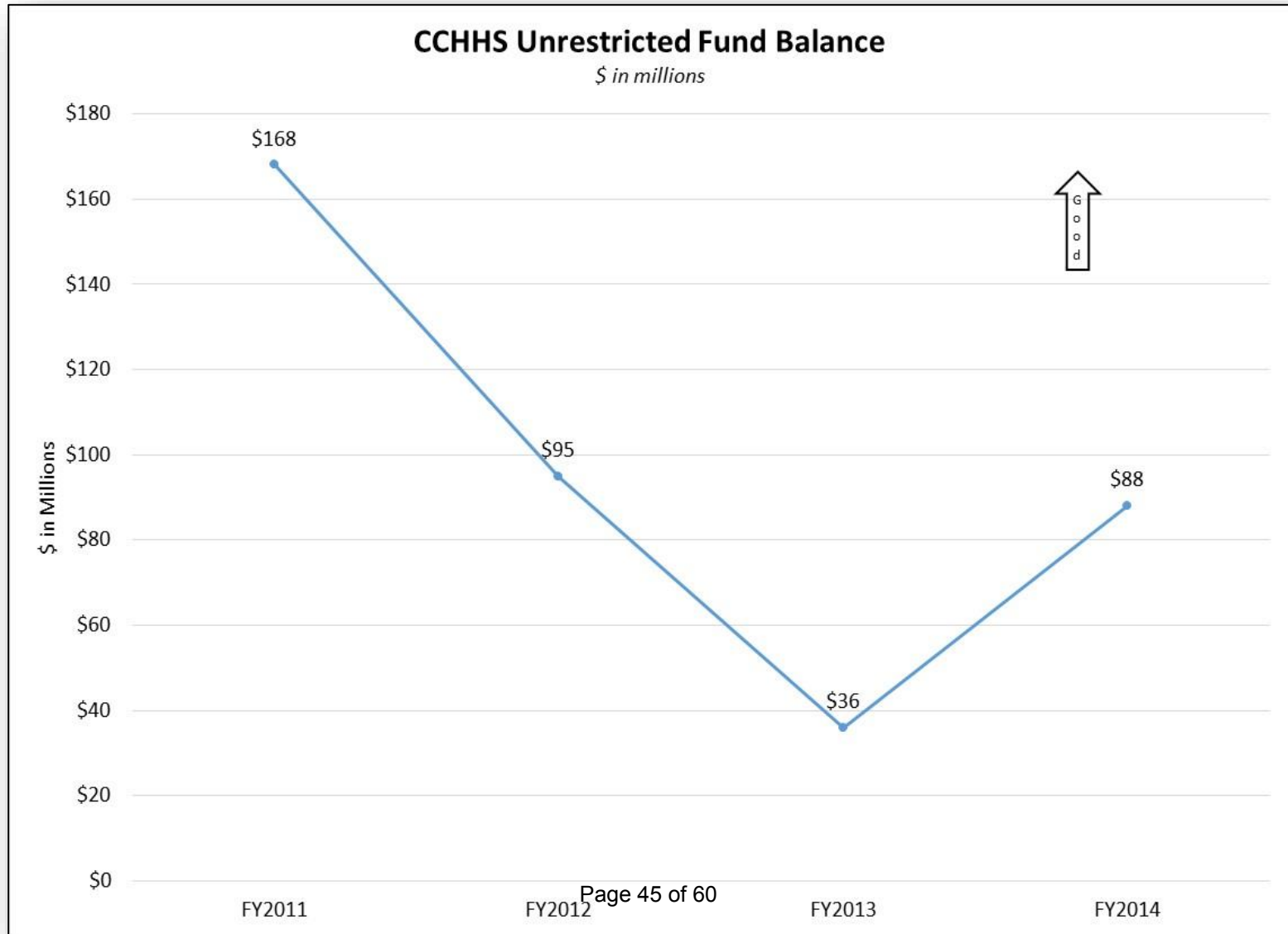


Days Cash on Hand

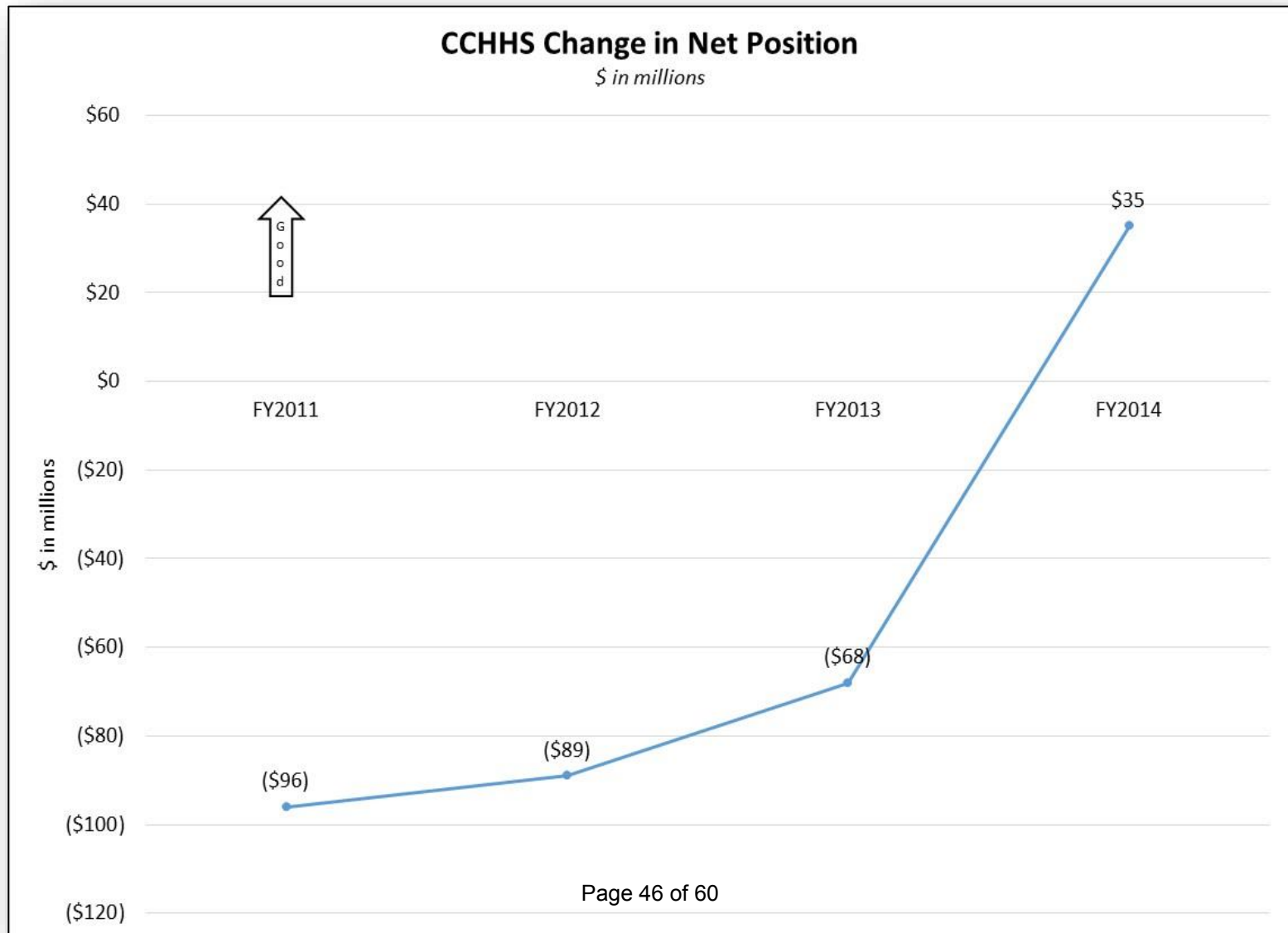
Includes restricted cash



Unrestricted Fund Balance



Change in Net Position



Cook County Health and Hospitals System
Finance Committee Meeting Minutes
February 20, 2015

ATTACHMENT #6



CountyCare Update

Prepared for: CCHHS Board Finance Committee

STEVEN GLASS, EXECUTIVE DIRECTOR,
MANAGED CARE

FEBRUARY 20, 2015


Choice & Redetermination

Health Plan Choice

- IL statute: 50% of Medicaid beneficiaries statewide in care coordination by Jan 1, 2015
- Voluntarily or auto-assignment
- Locked-in with “selected” plan until next cycle

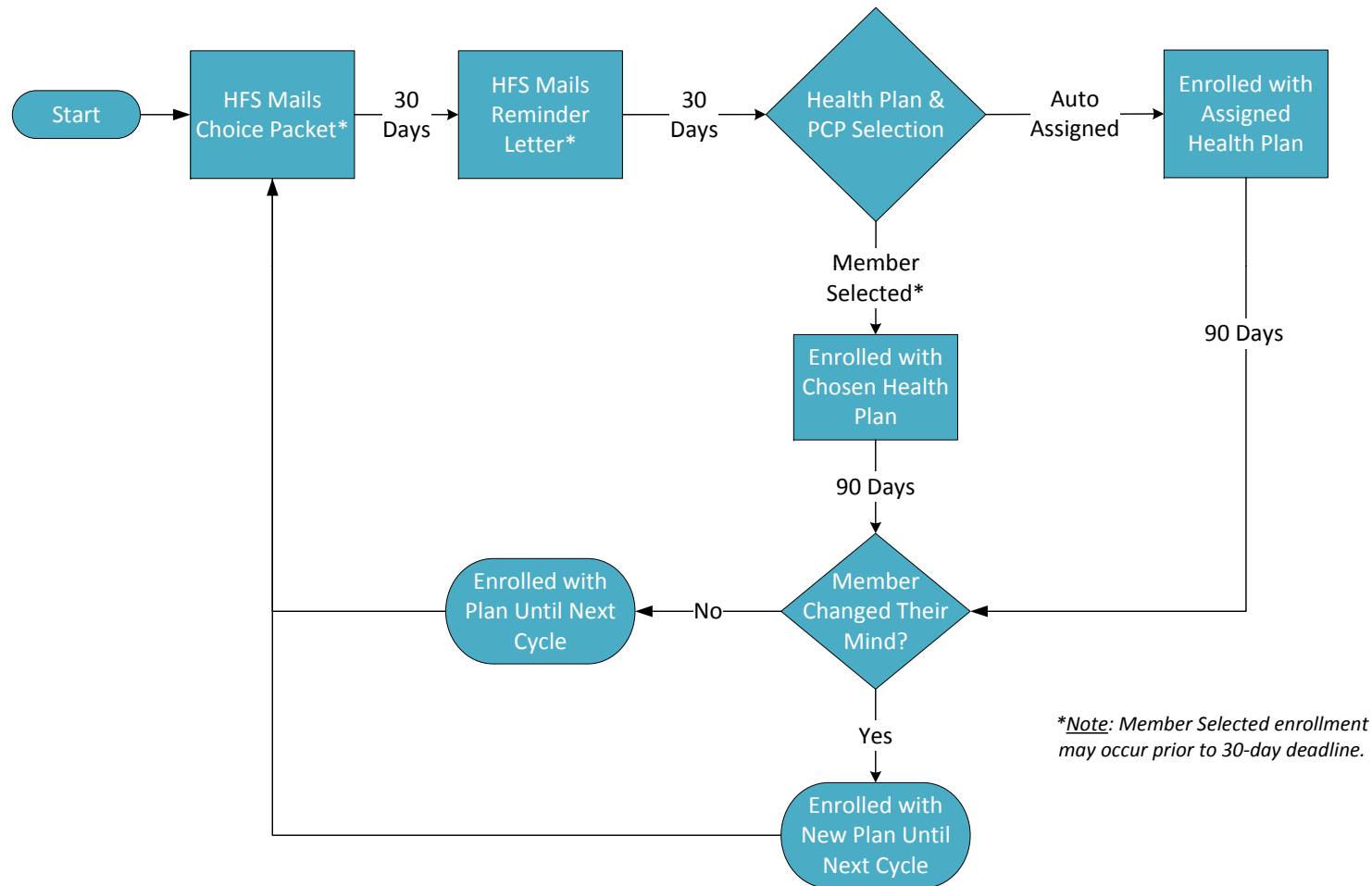
Redetermination

- Federal requirement to demonstrate continued eligibility for benefits
- Cannot happen more than 1x/year
- IL Medicaid Redetermination Project (IMRP) for Medicaid & AllKids



Each process occurs on its own unique cycle for each beneficiary.

Health Plan Choice Process



CCHHS & Choice

ACA Waiver

- Early entry into mandatory Medicaid market

PCP Network

- Favorable for auto-assignment
- CCHHS ACHN, FQHCs

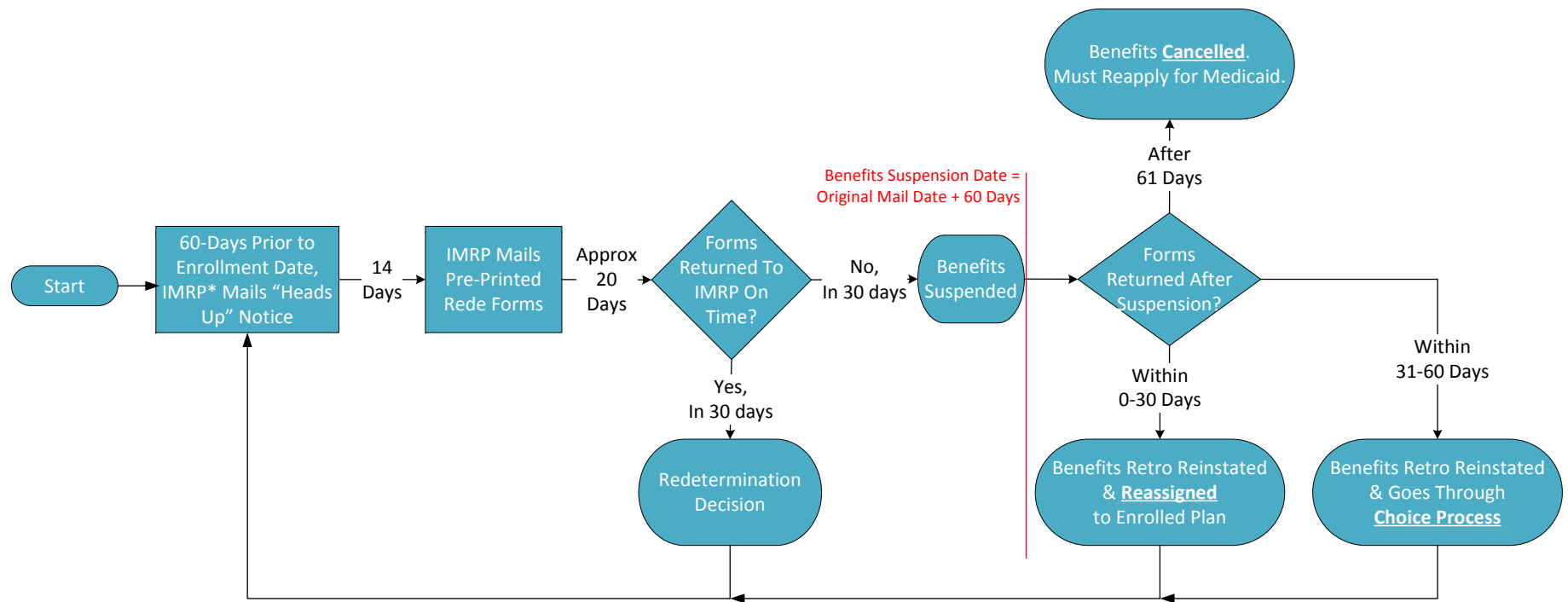
Engaged Providers

- Identified CountyCare as “preferred” health plan for patients auto-assigning

Community Outreach & Marketing

- Continued community outreach and marketing campaign

Annual Redetermination Process



*IMRP = IL Medicaid
Redetermination Project

CCHHS & Rede

Current Activities...

- Develop lists internally
- Call center outreach & inbound calls, and support with IMRP
- Notification mailings
- CCHHS & network provider education

Moving Forward...

Additional State Support

- HFS: Pilot Health Plan for new process of providing rede list
- DHS: Consolidation of redes to Hoyne Office

Member Campaign/Support

- “Keep Your Medicaid Benefits” campaign
- Multi-media approaches mirroring IMPR timeline: outbound and inbound calls; mailings; flags in Rx and registration; links on CCHHS & CountyCare patient portals and web sites

Engagement of Network Providers

- Distribute lists of members up for Rede received from State

Membership

Data as of: 1/31/2015 | Source: Daily Membership (834) File

	Nov'14	Dec'14	Jan'15	Change From Dec'15	Trend	FY'15 Budget	% to Budget
Monthly Membership	85,085	86,562	96,508	11.5%	↑	124,318	77.6%
ACA	82,496	78,914	79,901	1.3%	↑	85,628	93.3%
FHP	1,324	6,111	14,837	142.8%	↑	35,000	42.4%
SPD	1,038	1,537	1,770	15.2%	↑	3,690	48.0%
Home/Community Waiver	227	271	504				
Key:					Within 5% of Goal	5-10% of Goal	> 10% of Goal

Gender = 50% Female; 50% Male

Average age = Female: 41 y/o; Male: 39 y/o

FHP membership below budget due to State implementation delay

- Expected to catch-up in later months

ACA redeterminations continued to be suspended in January

Membership Adds & Deletions

Data as of: 1/31/2015 | Source: Daily Membership (834) File

Net Change in Membership by Category			
	Nov'14	Dec'14	Jan'15
Month Begin Membership	85,186	82,374	85,787
ACA Adults	(4,724)	(514)	30
FHP	1,148	3,606	8,830
SPD Community	764	321	192
Home/Community Waiver	83	30	15
Total Net Change	(2,812)	3,413	9,032
Month End Membership	82,374	85,787	94,819

Auto-assignments of FHP population continues to have positive impact on overall membership

Health Plan Comparison

Source: IL HFS, Cook County

FHP/ACA Adults							
Health Plan	Oct'14		Nov'14		Dec'14		N Change Month Prior
	N	% Total	N	% Total	N	% Total	
Harmony Health Plan *	89,964	29.4%	107,840	29.2%	151,195	26.1%	43,355
Family Health Network *	111,073	36.3%	111,300	30.1%	123,966	21.4%	12,666
CountyCare	88,858	29.1%	85,453	23.1%	83,733	14.5%	(1,720)
Blue Cross Blue Shield	1,482	0.5%	7,977	2.2%	43,575	7.5%	35,598
Advocate Accountable Care (ACE)	7,597	2.5%	13,812	3.7%	34,495	6.0%	20,683
Meridian Health Plan	3,633	1.2%	14,195	3.8%	33,848	5.8%	19,653
IlliniCare Health Plan	1,578	0.5%	10,520	2.8%	31,944	5.5%	21,424
Aetna Better Health Inc.	523	0.2%	9,875	2.7%	22,848	3.9%	12,973
SmartPlan Choice (ACE)	32	0.0%	2,007	0.5%	17,661	3.0%	15,654
HealthCura (ACE)	28	0.0%	181	0.0%	14,318	2.5%	14,137
Community Care Partners (ACE)	22	0.0%	302	0.1%	9,700	1.7%	9,398
Illinois Partnership for Health (ACE) **	298	0.1%	2,160	0.6%	3,731	0.6%	1,571
Loyola Family Care (ACE)	150	0.0%	1,665	0.5%	3,390	0.6%	1,725
MyCare Chicago (ACE)	478	0.2%	1,598	0.4%	1,937	0.3%	339
Better Health Network (ACE)	11	0.0%	155	0.0%	976	0.2%	821
Lurie Children's Health Partners (CSN CCE)	92	0.0%	414	0.1%	801	0.1%	387
UI Health Plus (ACE)	4	0.0%	39	0.0%	609	0.1%	570
Next Level (CCE serving ACA only)	41	0.0%	263	0.1%	434	0.1%	171
LaRabida Coordinated Care Network (CSN CCE)	4	0.0%	34	0.0%	92	0.0%	58
Total	305,868		369,790		579,253		209,463

* = Auto-assignment suspended due to poor quality measures

** = Auto-assignment suspended for failure to meet ACE benchmarks

Health Plan Comparison

Source: IL HFS, Chicago Region (includes suburban Cook & Collar Counties)

ICP Greater Chicago Region (SPD population)

Health Plan	Oct'14		Nov'14		Dec'14		N Change Month Prior
	N	% Total	N	% Total	N	% Total	
Aetna Better Health Inc.	28,547	32.2%	29,377	31.2%	29,180	31.0%	(197)
IlliniCare Health Plan Inc.	28,018	31.6%	28,422	30.2%	28,067	29.8%	(355)
Humana Health Plan	3,679	4.2%	4,162	4.4%	4,603	4.9%	441
Meridian Health Plan	4,164	4.7%	4,059	4.3%	4,188	4.5%	129
Blue Cross/Blue Shield of Illinois	4,610	5.2%	5,422	5.8%	5,597	6.0%	175
Cigna HealthSpring of Illinois	3,193	3.6%	4,143	4.4%	4,142	4.4%	(1)
Community Care Alliance of Illinois	6,954	7.8%	7,726	8.2%	7,766	8.3%	40
CountyCare	352	0.4%	1,169	1.2%	1,535	1.6%	366
Be Well (CCE)	1,450	1.6%	1,396	1.5%	1,374	1.5%	(22)
EntireCare (CCE)	2,169	2.4%	2,211	2.3%	2,179	2.3%	(32)
Together4Health (CCE)	1,521	1.7%	1,530	1.6%	1,582	1.7%	52
Next Level (CCE)	3,987	4.5%	4,616	4.9%	3,826	4.1%	(790)
Total	88,644		94,233		94,039		(194)

ACA Composite PMPM

Data as of: 1/31/2015 | Source: Monthly Payment (820) File

		ACA PMPM Amount	% Change from Baseline
Time Period			
Waiver	CY'13	\$628.96	
PMPM	CY'14	\$632.48	
Actuarial Baseline	March'14	\$639.76	
Health Plan Composite PMPM	July'14	\$630.55	-1.4%
	August'14	\$631.59	-1.3%
	September'14	\$635.07	-0.7%
	October'14	\$638.80	-0.2%
	November'14	\$642.48	0.4%
	December'14	\$645.31	0.9%
	January'15	\$644.45	0.7%

ACA Membership Shifts

Mar'14 vs Jan'15

ACA Payment Cell	March'14 Baseline		Jan'15 Actual		Change in N	Change in % of Total
	N	% of Total	N	% of Total		
Female 19-24	7,989	8.9%	6,118	8.1%	(1,871)	-0.8%
Female 25-34	4,928	5.5%	4,050	5.4%	(878)	-0.1%
Female 35-44	4,269	4.7%	3,249	4.3%	(1,020)	-0.4%
Female 45-54	12,791	14.2%	9,881	13.1%	(2,910)	-1.1%
Female 55-64	14,511	16.1%	12,659	16.8%	(1,852)	0.7%
Male 19-24	7,373	8.2%	6,108	8.1%	(1,265)	-0.1%
Male 25-34	8,375	9.3%	7,595	10.1%	(780)	0.8%
Male 35-44	7,918	8.8%	6,817	9.0%	(1,101)	0.2%
Male 45-54	12,127	13.5%	9,918	13.1%	(2,209)	-0.3%
Male 55-64	9,850	10.9%	9,150	12.1%	(700)	1.2%
Total	90,131		75,545		(14,586)	

Pharmacy

Data as of: 1/31/2015 | Source: CountyCare PBM

